

**GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT**

Agriculture Department – Buffer Stocks – Nomination of Andhra Pradesh State Cooperative Marketing Federation Limited as Nodal Agency for procurement & pre-position of fertilizers for the year 2012-13 – Orders – Issued.

X-

AGRICULTURE & COOPERATION (FP.II.2) DEPARTMENT

G.O.Rt.No. 350

Dated:03-04-2012.  
Read the following:

- 1) From the Commissioner & Director of Agriculture, Hyderabad Letter No.Fert.I(2)23/2012, dated 9.1.2012.
- 2) From the Commissioner & Director of Agriculture, Hyderabad Letter No.Fert.I(2)23/2012, dated 2.2.2012
- 3) From the Commissioner & Director of Agriculture, Hyderabad Letter No.Fert.I(2)23/2012, dated 18.1.2012..

\*\*\*

**ORDER:**

The Commissioner & Director of Agriculture, Hyderabad vide letters read above has reported that the Managing Director, A.P. Markfed, Hyderabad has submitted the proposal for nominating the A.P. Markfed as Nodal Agency for procurement, pre-positioning and distribution of fertilizers for the agricultural year 2012-13, as there is a need to maintain buffer stocks of Urea, DAP and Complexes Fertilizers in view of unrest and hardship caused to farmers on account of meager availability of DAP and Complex Fertilizers and in order to avert such crisis in future the Government had nominated A.P. MARKFED for procurement and pre-positioning of fertilizers during 2008-09 to 2011-12 and also permitted the Agency to raise loan of Rs.500.00 crores and agreed to reimburse the interest and carrying costs of storage, handling and transportation. This measure has ensured availability of fertilizers to the needy areas in time during the above years.

2. The Commissioner & Director of Agriculture, Hyderabad has requested the Government to consider the proposals of the A.P. MARKFED as Nodal Agency for Agricultural year 2012-13 and permit the Agency to purchase and maintain 2.00 LMTs of Urea and 1.00 LMT each DAP and Complexes as buffer to ensure availability of the fertilizers in time to needy areas and avoid hardship to farmers by raising loan an amount of Rs.750.00 crores for the above purpose from the Banks/Financial Institutions and Govt., to bear the interest accrued on the said loan for the year 2012-13 on quarterly basis or till liquidation of stocks thus procured and till clearance of all loans raised.

3. In view of the above circumstances explained by the Commissioner & Director of Agriculture, Hyderabad in the references read above, Government after careful examination of the entire proposal, hereby nominate the A.P.State Cooperative Marketing Federation Limited (A.P.MARKFED), Hyderabad as Nodal Agency for the State of Andhra Pradesh, for procurement and pre-positioning of fertilizers for the Kharif and Rabi seasons 2012-13. Government also permit the A.P.MARKFED to raise loans upto Rs.750.00 Crores (Rupees Seven hundred and fifty crores only) (without Government guarantee) for the above purpose from Banks /Financial Institutions, for procurement of 2.00 lakh MTs of Urea, 1.00 lakh MT each of DAP and Complex as buffer, to ensure availability of the fertilizers in time to the farmers. Government also protect A.P. MARKFED and PACS in the event of any down ward revision of fertilizer prices by reimbursing the differential cost on available stocks.

P.T.O.

..2..

4. Government will bear the interest accrued on the said loans for the financial year 2012-13 on quarterly basis or till liquidation of the stocks thus procured and till clearance of all loans raised for the above purpose and will also reimburse the cost of incidental charges such as insurance, handling, storage and transportation etc., for the season 2012-13.

5. The A.P.MARKFED shall procure the fertilizers depending upon the need and as per the guidelines to be issued by the Commissioner of Director of Agriculture, A.P., Hyderabad separately. The drawl of amounts of loans shall be only to the extent of requirement. The reimbursement of interest on the loans raised shall be on quarterly basis and reimbursement of incidental charges such as insurance, handling, storage and transportation etc., expenditure shall be on submission of detailed bills for reimbursement of actual amounts after incurring the expenditure.

6. The Managing Director, A.P.MARKFED shall allocate the required quantities of fertilizers to the A.P.AGROS, HACA etc., in consultation with Commissioner & Director of Agriculture and coordinate with these agencies in distribution of fertilizers in the State.

7. The Commissioner & Director of Agriculture, A.P., Hyderabad / The Managing Director, A.P.MARKFED, Hyderabad shall take further necessary action, in the matter.

8. This order issues with the concurrence of Finance (EAC) Department vide their U.O.No.1447/84/A2/Expr.A&C/2012, dated: 20.03.2012.

( BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH )

V. NAGI REDDY  
PRINCIPAL SECRETARY TO GOVERNMENT.

To  
The Commissioner & Director of Agriculture, A.P. Hyderabad.  
The Managing Director, A.P.MARKFED, Hyderabad.  
Copy to:  
The VC & MD, A.P.AGROS, Hyderabad.  
The Managing Director, Agriculture Cooperative Association Ltd.,  
Hyderabad (HACA).  
The Finance (EAC) Department.  
SF/SC.

// FORWARDED BY ORDER //

SECTION OFFICER.